

VZCZCXYZ0000
RR RUEHWEB

DE RUEHZP #1152 1901506
ZNR UUUUU ZZH
R 091506Z JUL 07
FM AMEMBASSY PANAMA
TO RUEHC/SECSTATE WASHDC 0766
INFO RUEHZA/WHA CENTRAL AMERICAN COLLECTIVE
RUCPDO/DEPT OF COMMERCE WASHDC
RUEHRC/DEPT OF AGRICULTURE WASHDC

UNCLAS PANAMA 001152

SIPDIS

SIPDIS

STATE FOR WHA/CEN TELLO
STATE FOR WHA/EPSC
STATE FOR EB/TPP/BTA - LAMPOON
STATE PASS USTR - EISSENSTAT & SHIGETOMI
USDOC/MAC - GAISFORD

E.O. 12958: N/A
TAGS: [ECON](#) [ETRD](#) [PM](#)
SUBJECT: EXTRAORDINARY LEGISLATIVE SESSION TO CONSIDER
TRADE PROMOTION AGREEMENT

REF: A. PANAMA 1065

[1](#)B. PANAMA 1095

[1](#)1. (U) SUMMARY. President Martin Torrijos called an Extraordinary Session of the National Assembly to consider and vote on the U.S.-Panama Trade Promotion Agreement (TPA) on July 4, 2007. This followed cabinet approval the TPA on July 3. The Extraordinary Session will is scheduled to run July 5-11. Approval of the TPA is expected. END SUMMARY.

Call for Extraordinary Session - Vote By July 11

[1](#)2. (U) On July 4, 2007, President Torrijos called an Extraordinary Session of the National Assembly to consider and vote on the TPA. This happened five days after the TPA signing and twelve days after Panama signed a free trade agreement with Costa Rica.

[1](#)3. (U) The Extraordinary Session began on July 5. The Assembly will have until July 11, 2007, to deliberate and vote on the TPA. As in the U.S., the Assembly will cast a simple yes or no vote and cannot amend any provision of the TPA. Procedurally, the TPA goes first to the Foreign Relations Committee prior to debate before the full Assembly. The TPA must go through three readings (one in the Foreign Relation Committee and two in the general Assembly) before a vote. First Vice President/Foreign Minister Samuel Lewis stated that a week was sufficient time to deliberate, but more time would be allowed if deemed necessary. As part of the Assembly's deliberations, approximately 60 civic groups were registered to address the Assembly on the TPA as of the close of business on July 4. Additional groups have since registered.

Status Quo on Labor's Position

[1](#)4. (U) Panama's National Council of Organized Labor (CONATO), Panama's labor central, voted to support the TPA (see Reftel A). The 200,000 member Union of Construction Workers and Similar Industries (SUNTRACS), a radical, Cuban-inspired union, continued to oppose the TPA, claiming the GOP was unduly pressuring for an early vote on the matter. The union representing social security workers had also come out against the TPA, claiming it would increase

drug prices.

COMMENT

15. (U) Easy and swift ratification of the TPA by the Assembly is widely expected. Legislators have consistently told EmbOffs that there is little doubt the TPA will be ratified. The move by Torrijos to call for an Extraordinary Session of the Assembly so quickly is intended to demonstrate the GOP's strong support for the TPA and to signal the GOP's seriousness to the U.S. Congress. To date, TPA opponents have been unable to muster any sustained, organized grassroots opposition to the accord. END COMMENT.
Eaton